

02/06/2011

Barbara Barnett
Rainbow House Supply

Secretary Jennifer Johnson
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Secretary Johnson:

When my daughter began twirling at a young age, I realized there was a need for a company that specialized in selling twirling and baton equipment. In 1982, my family began the Rainbow House Supply retail business. As an online retailer, we must insist that our customers pay with either a debit or credit card. As a consequence, we owe hefty fees to the processing company that handles our transactions each month. These fees are always on the rise, and this is why I hope the Federal Reserve will soon limit on debit card interchange fees.

The economy has taken a toll on this small company and on our family's income. Despite our economic troubles, it seems the processing company is always demanding a larger and larger portion of our sales each and every year. It just does not make sense given the improvements that have been made in communications and technology over the many years we have been in business.

Unless the Federal Reserve does something to limit the debit card transaction costs for businesses, it is likely this trend in ever increasing fees and rates will continue. At some point, businesses will reach a breaking point and no longer be able to afford to offer these services. That would be disastrous for my operation, so I ask that you quickly move forward with this ruling.

Thank you,

Barbara Barnett